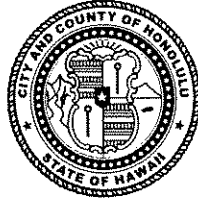


DEPARTMENT OF THE CORPORATION COUNSEL
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MUFU HANNEMANN
MAYOR



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CARRIE K.S. OKINAGA
CORPORATION COUNSEL

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CITY COUNCIL
HONOLULU, HAWAII

DONNA M. WOO
FIRST DEPUTY CORPORATION COUNSEL

May 1, 2009

The Honorable Nestor Garcia, Chair
and Members of the Budget Committee
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawaii 96813

Dear Chair Garcia and Councilmembers:

Subject: Budget Communication No. 8
Council Budget Hearing Questions

This is in response to Budget Committee questions of March 23, 2009, regarding the Department of the Corporation Counsel's deputies' workload and line item 3004.

Question 6a. Please provide more detail on the workload amount per deputy corporation counsel for FY 2008, FY 2009 and projected FY 2010.

Answer:

Attached, please find a chart entitled, "Workload Detail¹," which sets forth the number of new requests for legal assistance received by COR's Counseling & Drafting Division from other City departments and agencies in each of the past four fiscal years. The chart also provides the number of new litigation matters initiated against the City each year since FY06.

Reports generated by our case logging and management system indicate that the workload demands currently being placed on our attorneys continue to be exceptionally burdensome. In FY08, the average number of new, incoming

¹ Please note that the figures reflect only new matters received/opened and do not take into account existing matters which had been initiated in previous years, and were still pending.

matters added to the existing workload of each deputy in our Counseling & Drafting Division was 243, and the average number was 128 per attorney in the Litigation Division.

Workload projections for the remainder of FY09 and for FY10 cannot accurately be made since it is difficult to predict the number or types of requests that may be submitted by various City agencies, or the number or kinds of litigation matters that may be filed against the City in the future.

Question 6b. Please provide more detail on operating budget item no. 3004 for FY 2008, FY 2009 and projected for FY 2010.

Answer:

Despite the heavy workload carried by deputies, COR continues to be very conscious of Council's concerns raised in the past regarding the use of consultants, including outside counsel. In attempting to control current expense, effort has been made by the Department to limit use of consultant services to the greatest extent possible. COR retained new outside counsel in only seven (7) matters in FY08², and thus far in fiscal year 2009, only five (5) new legal consultant contracts have been entered into. Also attached for your information, is a list of the amounts paid to outside counsel (broken down by source of funds) in FY08 and FY09.

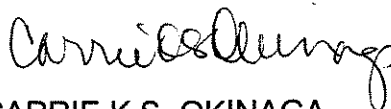
Accurate projections as to the amounts anticipated to be spent on consultant services for the remainder of FY09 and in FY10 are difficult to make since again, it is not known at this time exactly what types of cases, matters, or issues this department will be required to deal with in the future. We are, however, seeing an increase in cases and matters involving specialized areas of law including environmental law, information technology, development law, transit, litigation, and employment law, which may prompt the need to retain additional outside counsel with specialized experience, as well as consultants and experts. As a result, we believe COR will, at the very least, be required to maintain the same level of funding for consultant services as it was allocated in FY09.

² Of the total seven new contracts, two were for environmental law matters funded by the Sewer Fund (170), and one was for transit, funded by the Transit Fund (290).

The Honorable Nestor Garcia, Chair
and Members of the Budget Committee
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We thank you for your assistance and continued consideration of our budget issues. Should you or members of the Council have any further questions, please do not hesitate to contact our office.

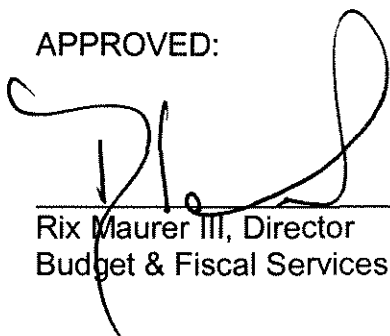
Very truly yours,



CARRIE K.S. OKINAGA
Corporation Counsel

Attachments

APPROVED:



Rix Maurer III, Director
Budget & Fiscal Services

APPROVED:



Kirk W. Caldwell
Managing Director

DEPARTMENT OF THE CORPORATION COUNSEL

Workload Detail

	FY06	FY07	FY08	FY09 (As of March 31, 2009)
Counseling & Drafting Division (26 Deputies) (No. of new requests for legal assistance received from various City agencies.)	6,169	6,239	6,315	4,163
Litigation Division (10 Deputies) (No. of new litigation matters [including lawsuits/cases against the City] initiated.)	268	537	417	289
Claims	1031	862	859	461

DEPARTMENT OF THE CORPORATION COUNSEL
Disbursements for Legal Counsel - FY08 and FY09

CONTRACTORS	MATTER	FY 2008	FY 2009	OUTSTANDING
General Funds*				
Ayabe Chong		5,933.73	3,324.27	0.00
Dwyer Schraff		4,387.50	0.00	0.00
Kessner Umebayashi		145.16	153.22	0.00
Kobayashi Goda & Sugita		102,006.70	13,489.04	0.00
Marr Jones		118,306.34	76,599.86	0.00
The Pacific Law Group		1,761.84	4,674.95	0.00
Cary Tanaka		15,318.56	37,301.77	0.00
Price Okamoto		209.75	0.00	0.00
Jon Van Dyke		0.00	4,712.04	0.00
Watanabe Ing		2,130.12	5,999.44	5,000.00
	Total	\$ 250,199.70	\$ 146,254.59	\$ 5,000.00
Sewer Funds**				
Bingham McCutchen	Sierra Club	987,796.65	1,222,401.59	265,260.74
Bingham McCutchen	301 (h)	1,043,127.85	681,528.83	210,953.28
Foster Pepper	Environmental Law	49,997.69	14,509.92	0.00
Williams Mullen	H-POWER	0.00	253,375.68	0.00
	Total	\$ 2,104,093.63	\$ 2,171,816.02	\$ 476,214.02
Transit Funds***				
Ballard Spahr Andrews	Honolulu High Capacity Transit	0.00	29,814.22	0.00
	Total	0.00	\$ 29,814.22	0.00
	GRAND TOTAL	\$ 2,354,293.33	\$ 2,347,884.83	\$ 481,214.02
* Expenditures listed are for outside legal counsel only. Legal Services' total FY08 expenditures for all consultant services is \$427,446.				
** Expenditures are budgeted in the Department of Environmental Services.				
*** Expenditures are budgeted in the Department of Planning and Permitting.				